

**Senate File 2309 - Introduced**

SENATE FILE 2309  
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 3126)

**A BILL FOR**

1 An Act relating to milk and associated products, by providing  
2 for certain items relating to milk to be transferred  
3 directly by operators of dairy farms, providing for the  
4 labeling of unpasteurized and ungraded milk and products,  
5 and making penalties applicable.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 159.6, subsection 6, Code 2022, is  
2 amended to read as follows:

3 6. Regulation and inspection of foods, drugs, and other  
4 articles, as provided in ~~Title V, subtitle 4, but.~~ However,  
5 ~~chapter 205 of that subtitle~~ shall be enforced as provided in  
6 that chapter. Except as expressly authorized in subtitle 4,  
7 the department shall not regulate any of the following:

8 a. The production, processing, labeling, or marketing of  
9 milk, if the milk is produced by a person operating a dairy  
10 farm in compliance with section 192.145.

11 b. The manufacturing, labeling, or marketing of a milk  
12 product or dairy product, if the milk product or dairy  
13 product is manufactured by a person operating a dairy farm in  
14 compliance with section 192.145.

15 Sec. 2. Section 191.2, subsection 5, Code 2022, is amended  
16 to read as follows:

17 5. ~~All bottles, containers, and packages~~ Bottles,  
18 containers, and packages. Except as provided in subsection  
19 5A, a container or package enclosing milk or a milk products  
20 product shall be conspicuously labeled or marked with all of  
21 the following:

22 a. The name of the contents as given in the definitions of  
23 this chapter and chapters 190 and 192.

24 b. The word "reconstituted" or "recombined" if the product  
25 is made by reconstitution or recombination.

26 c. The grade of the contents.

27 d. The word "pasteurized" if the contents are pasteurized  
28 and the identity of. The package or container shall identify  
29 the plant where the milk or milk product is pasteurized.

30 ~~e. The word "raw" if the contents are raw and the name or~~  
31 ~~other identity of the producer.~~

32 ~~f.~~ e. The designation vitamin "D" and the number of  
33 U.S.P. units per quart in the case of vitamin "D" milk or milk  
34 products.

35 ~~g.~~ f. The volume or proportion of water to be added for

1 recombining in the case of concentrated milk or milk products.

2 ~~h.~~ g. The words "nonfat milk solids added" and the  
3 percentage added if such solids have been added, except that  
4 this requirement shall not apply to reconstituted or recombined  
5 milk and milk products.

6 ~~i.~~ h. The words "artificially sweetened" in the name if  
7 nonnutritive or artificial sweeteners or both are used.

8 ~~j.~~ i. The common name of stabilizers, distillates, and  
9 ingredients, provided that:

10 (1) Only the identity of the milk producer shall be required  
11 on cans delivered to a milk plant as provided in [chapter 192](#)  
12 which receives only grade "A" raw milk for pasteurization, and  
13 which immediately dumps, washes, and returns the cans to the  
14 milk producer.

15 (2) The identity of both milk producer and the grade shall  
16 be required on cans delivered to a milk plant as provided  
17 in [chapter 192](#) which receives both grade "A" raw milk for  
18 pasteurization and ungraded raw milk and which immediately  
19 dumps, washes, and returns the cans to the milk producer.

20 (3) In the case of concentrated milk products, the specific  
21 name of the product shall be substituted for the generic term  
22 "concentrated milk products", e.g., "homogenized concentrated  
23 milk", "concentrated skim milk", "concentrated chocolate milk",  
24 "concentrated chocolate flavored low fat milk".

25 (4) In the case of flavored milk or flavored reconstituted  
26 milk, the name of the principal flavor shall be substituted for  
27 the word "flavored".

28 (5) In the case of cultured milk and milk products,  
29 the special type culture used may be substituted for the  
30 word "cultured", e.g., "acidophilus buttermilk", "Bulgarian  
31 buttermilk", and "yogurt".

32 Sec. 3. Section 191.2, Code 2022, is amended by adding the  
33 following new subsection:

34 NEW SUBSECTION. 5A. *Unpasteurized milk and milk products.* A  
35 container holding unpasteurized milk or a milk product

1 containing unpasteurized milk shall be labeled as required in  
2 section 191.9A.

3     Sec. 4. NEW SECTION. 191.9A Dairy farms — sale of  
4 unpasteurized milk and milk products.

5     1. A person who operates a dairy farm as provided in chapter  
6 192 and who sells unpasteurized milk, a milk product containing  
7 unpasteurized milk, or a dairy product containing unpasteurized  
8 milk to an individual in compliance with section 192.145  
9 shall label the container holding the milk, milk product, or  
10 dairy product. The label shall be permanently affixed to the  
11 container. The words on the label shall be printed using upper  
12 case letters in at least twelve point boldface type. If the  
13 container includes a main informational or advertising panel,  
14 the label shall be part of the panel.

15     2. *a.* For a container holding unpasteurized milk, the label  
16 shall state the following:

17                     Notice to Consumers

18             This container holds raw milk not subject to state  
19 inspection or other public health regulations that require  
20                     pasteurization and grading.

21     *b.* For a container holding a milk product or dairy product,  
22 the label shall state the following:

23                     Notice to Consumers

24             This container holds a raw milk product or dairy product that  
25 includes raw milk not subject to state inspection or other  
26 public health regulations that require pasteurization and  
27                     grading.

28     Sec. 5. Section 192.103, subsections 1 and 2, Code 2022, are  
29 amended to read as follows:

30     1. Only grade "A" pasteurized milk and milk products  
31 shall be sold to the final consumer, or to restaurants, soda  
32 fountains, grocery stores, or similar establishments. ~~However,~~  
33 ~~in an~~ except as follows:

34     *a.* In an emergency, the sale of pasteurized milk and milk  
35 products which have not been graded, or the grade of which is

1 unknown, may be authorized by the secretary, in which case,  
2 such products shall be labeled "ungraded".

3 b. A person who operates a dairy farm may sell milk or  
4 a milk product to an individual in compliance with section  
5 192.145.

6 2. ~~No~~ A person shall not within the state produce, provide,  
7 sell, offer, or expose for sale, or have in possession with  
8 intent to sell, any milk or milk product which is adulterated  
9 or misbranded. However, in an emergency, the sale of  
10 pasteurized milk and milk products which have not been graded,  
11 or the grade of which is unknown, may be authorized by the  
12 secretary, in which case such products shall be labeled  
13 "ungraded".

14 Sec. 6. NEW SECTION. 192.144 Definitions.

15 As used in this subchapter, unless the context otherwise  
16 requires:

17 1. "*Dairy product*" means a product, other than a milk  
18 product, in which milk is the principal ingredient at any  
19 temperature and in either a manufactured or unmanufactured  
20 state. To the extent that it is not classified as a milk  
21 product, a dairy product includes but is not limited to butter,  
22 cheese, cream, cottage cheese, ricotta cheese, kefir, or ice  
23 cream.

24 2. "*Manufacture*" means to convert or condition personal  
25 property by changing the form, composition, quality, or  
26 character of a product, and includes activities associated with  
27 a creamery or cheese factory.

28 Sec. 7. NEW SECTION. 192.145 On-farm production,  
29 processing, manufacturing, and marketing.

30 1. A person who operates a dairy farm may do any of the  
31 following:

32 a. Produce milk at the dairy farm or process the milk at  
33 the dairy farm, if the person does not sell the milk. This  
34 paragraph does not prevent the person from disposing of the  
35 milk without receiving compensation.

1     *b.* Produce milk at the dairy farm or process the milk at  
2 the dairy farm, if the person sells the milk to an individual,  
3 regardless of whether the milk is unpasteurized or ungraded.  
4 The milk must be sold to the individual on a retail basis and  
5 not for resale. The person may deliver the milk or cause the  
6 milk to be delivered to a location specified by the individual.  
7 An individual who receives the milk shall not resell it.

8     2. A person who operates a dairy farm may manufacture a  
9 milk product or dairy product at the dairy farm by using milk  
10 produced at the dairy farm, if any of the following apply:

11     *a.* The person does not sell the milk product or dairy  
12 product. This paragraph does not prevent the person from  
13 disposing of the milk product or dairy product without  
14 receiving compensation.

15     *b.* The person sells the milk product or dairy product to  
16 an individual, regardless of whether the milk product or dairy  
17 product is unpasteurized or ungraded. The milk product or  
18 dairy product must be sold to the individual on a retail basis  
19 and not for resale. The person may deliver the product or  
20 cause the product to be delivered to a location specified by  
21 the individual. An individual who receives the milk product or  
22 dairy product shall not resell it.

23     3. A person who operates a dairy farm shall not be subject  
24 to regulation by the department for acting in compliance with  
25 this section. Such regulation includes but is not limited to  
26 licensing, permitting, or inspection requirements under this  
27 chapter or chapter 194.

28     Sec. 8. NEW SECTION. 194.22 On-farm production, processing,  
29 manufacturing, and marketing — exception.

30     This chapter does not apply to any of the following:

31     1. The production, processing, or marketing of milk, if  
32 the milk is produced by a person operating a dairy farm in  
33 compliance with section 192.145.

34     2. The manufacturing or marketing of a milk product or dairy  
35 product, if the milk product or dairy product is manufactured

1 by a person operating a dairy farm in compliance with section  
2 192.145.

3

EXPLANATION

4           The inclusion of this explanation does not constitute agreement with  
5           the explanation's substance by the members of the general assembly.

6       BACKGROUND. This bill amends provisions affecting persons  
7 who operate dairy farms, including provisions for the  
8 processing of milk and the manufacture of milk products and  
9 dairy products on such farms. The provisions are administered  
10 and enforced by the department of agriculture and land  
11 stewardship (DALs).

12       Generally, statutory provisions and departmental rules  
13 regulating milk are based on model legislation referred to  
14 as the "Grade 'A' Pasteurized Milk Ordinance" (Code section  
15 192.101A). The "Grade 'A' Pasteurized Milk Ordinance" defines  
16 a milk product as including cream, sour cream, dry milk,  
17 concentrated milk, eggnog, buttermilk, and yogurt. All food  
18 offered or exposed for sale must be labeled (Code section  
19 191.1). All milk must be sold on the basis of grade (Code  
20 section 194.10) and only grade "A" pasteurized milk and milk  
21 products can be sold to the final consumer (Code section  
22 192.103). Grade "B" milk may be sold for manufacturing  
23 purposes (21 IAC 68.2). All dairy farms selling grade "A" or  
24 grade "B" milk must be issued a permit by DALs (21 IAC 68.2).

25       BILL'S PROVISIONS. The bill provides that these regulatory  
26 provisions do not apply to a person who operates a dairy farm.  
27 The person may produce milk and dispose of it or sell it to  
28 an individual on a retail basis. The operator may deliver  
29 the milk to a location specified by the individual. The bill  
30 also provides that the regulatory provisions do not apply to  
31 the operator of a dairy farm who manufactures a milk product  
32 or dairy product, who may dispose of the product or sell it  
33 in the same manner as milk originating from the dairy farm.  
34 A milk product is defined by the "Grade 'A' Pasteurized Milk  
35 Ordinance" and includes cream or yogurt. A dairy product

1 includes a product other than a milk product whose principal  
2 ingredient is milk (e.g., ice cream). The bill provides for  
3 the labeling of unpasteurized and ungraded milk, or a product  
4 that includes such milk.

5     APPLICABLE PENALTIES. A person who violates the bill's  
6 provisions is guilty of a simple misdemeanor (Code section  
7 189.21). A simple misdemeanor is punishable by confinement for  
8 no more than 30 days and a fine of at least \$105 but not more  
9 than \$855.